

*Statement—Mr. Simmons*

personal affairs and on my family, and to discuss these matters with my wife who, by the way, had the good sense to be born several years ago on this particular day. In the process of that reflection, Madam Speaker, I reflected on the tax issue which had been ongoing for more than two years. Prior to that evening, Thursday, August 11, I had already concluded in consultation with my lawyer that I had reasonable grounds for believing that the legal aspect of the tax matter had been resolved in my favour.

Further, I noted that the indication earlier that evening of a possible invitation to join Cabinet was confirmation, and especially the invitation itself would be even more clearly so a confirmation, that the legal aspect of the tax matter had indeed been resolved. I reasoned that an invitation to join Cabinet would have been preceded by a security check which, among other things, would have revealed any outstanding legal aspects of the tax matter.

I now know that my reasoning was falsely based in two crucial aspects. First, there was no security check prior to my appointment to Cabinet. Secondly, the timeframe indicated to my accountant and me during a meeting with Revenue Canada officials was not adhered to and consequently the recommendation went from Revenue Canada to Justice considerably later than we were assured would be the case.

Hindsight is 20/20. I now realize all too graphically that I should have raised the tax issue with the Prime Minister during our August 12 meeting. I apologize to him and to the House for not having done so. I want you to know, Madam Speaker, that my reasons for not doing so were predicated neither on naive hope nor on treacherous calculation. Rather, as I have said, it was based on two premises, both of which appeared at the time to be eminently reasonable, both of which we now know to have been falsely based.

There were, Madam Speaker, in theory at least, options open to me other than offering to resign. I could have tried to continue in Cabinet; perhaps I would have survived a few days, a few weeks, perhaps indefinitely. Whether or not survival in Cabinet was theoretically possible is entirely beside the point. There is only one way to be in Cabinet—because you have legitimacy, because you have the full right to be there. When I was sworn in, I had that legitimacy. Once the circumstances which triggered my offer to resign arose, I no longer had unbridled legitimacy. Questions would arise. Should I be in Cabinet in those circumstances? If the answer to that question is no, maybe not, even maybe; if the answer to that question is anything but an unqualified yes, then my full legitimacy as a Cabinet Minister would have been abridged, circumscribed, emasculated, compromised.

Then, Madam Speaker, there is the issue of accountability; the public's right to know. I felt it would be wrong to continue in Cabinet once I had learned that the legal aspect of the tax matter was still outstanding, irrespective of whether a charge would ultimately be laid or not. Secondly, there was a fairly easy, pragmatic choice to be made: either to damage somewhat my credibility by resigning from Cabinet so ridiculously soon after my appointment, even if my reasons never became

public, or to ultimately destroy that credibility altogether by continuing to hold a position for which I now lacked unbridled legitimacy.

So you see, Madam Speaker, my decision to resign was an important one, yes; a decision with wrenching implications for me and others, yes; but for all that it was not an especially difficult decision for me to make and that is why I, within minutes of hearing of the Justice circumstance, requested the Secretary to the Cabinet to be in touch with the Prime Minister as quickly as possible and, on my behalf, offer him my resignation.

Those who know me well will, I am sure, place the judgments I have made in these matters in the perspective of others I have made over the years. If they do that, I will not be ill served by the resulting conclusions.

Let me return, then, Madam Speaker, to the issue of the Revenue Canada recommendation to Justice. The Department of Justice has now made a determination and I will say in a moment what that decision is. First, you will now see why it was neither prudent nor in my best interests to disclose at the time of my resignation from Cabinet the specific nature of my private reasons for doing so. It was important that I not do or say anything publicly which could have had the effect of interfering with the decision of Justice. Further, only if Justice were to decide to lay a charge would the reasons for my resignation take on a public dimension and I would then be governed by the public's right to know.

Just a comment in passing on the confidential status of personal income tax affairs of Canadians generally. The law clearly provides for that confidentiality. But, any law is only as good as the people who administer it. I can only express the hope that the "highly placed Government source" who reportedly discussed my private tax affairs in public has a more competent, less malicious understanding of his other job responsibilities and of the legal parameters within which he is supposed to be operating.

**Some Hon. Members:** Hear, hear!

**Mr. Simmons:** Madam Speaker, the Department of Justice has made its decision. It has decided to lay a charge on the ground of intent to avoid the payment of taxes. This is, of course, not the place for me to state my views on the subject. I will have adequate opportunity to do that in the courts of the land, an opportunity of which I shall be taking full advantage. I am satisfied, and my lawyers are satisfied, that the evidence we shall lead before the courts will exonerate me. I have the profoundest confidence in the ultimate justice of our legal processes. I have every reason to believe that the Department of Justice will take the appropriate initiative almost immediately and I welcome an early opportunity to clear the air once and for all.

I came into public life over 20 years ago, and into elective politics 10 years ago, because I wanted to have a direct say in how things get done in my Province and in this country, because I believed I could contribute to that dialogue and in